BEFORE THE BOARD OF OIL, GAS & MINING DEPARTMENT OF NATURAL RESOURCES, STATE OF UTAH

IN THE MATTER OF THE PETITION ) FINDINGS OF FACT, OF AMBRA OIL & GAS CO. FOR AN ) CONCLUSIONS OF LAW EXCEPTION WELL LOCATION FOR ) AND ORDER THE ENWY OF SECTION 12, ) TOWNSHIP 8 SOUTH, RANGE 24 ) EAST, SLM, UINTAH COUNTY, ) DOCKET NO. 84-082 UTAH. ) CAUSE NO. 129-3

Pursuant to Notice of Hearing dated November 2, 1984, by the Utah Board of Oil, Gas & Mining, this cause came on for Hearing before the Board at 11:00 a.m. on Thursday, December 6, 1984 in the Board Room of the Division of Oil, Gas & Mining, 355 West North Temple, 3 Triad Center, Suite 301, Salt Lake City, Utah. The following Board members were present and participated in the Hearing:

Gregory P. Williams, Chairman Charles R. Henderson E. Steele McIntyre Constance K. Lundberg James W. Carter Richard B. Larsen John M. Garr

Also present representing the staff of the Division of Oil, Gas & Mining were the Director, Dianne Nielson; Associate Director, Ronald J. Firth; Petroleum Engineer, John R. Baza; and Barbara W. Roberts, Assistant Attorney General. Representing the Board was David S. Christensen, Assistant Attorney General.

Representing the Petitioner was Robert G. Pruitt, Jr., Attorney at Law. Wes Pettingill, Vice President of Exploration for Ambra Oil & Gas Co., testified at the Hearing.

No other parties were present or made an appearance at the Hearing. However, a letter in support of the Petition from Belco Development Corporation was read into the record.

NOW, THEREFORE, the Board having considered the testimony introduced and the exhibits received at the said Hearing, and being fully advised in the premises, now makes and enters the following:

FINDINGS OF FACT AND CONCLUSIONS OF LAW Due and regular notice of the time, place and purpose of the Hearing was given to all interested parties in the form and in the manner and within the time required by law, rules and regulations of the Board. The Board has jurisdiction over the matter covered by said Notice and over all parties interested therein, and has jurisdiction to make and promulgate the Order hereinafter set forth. The Board, by Order dated September 13, 1967 in Cause No. 129-1, established 118 80-acre drilling and spacing units for the Green River formation, each unit comprising the Et or the Wt of a quarter section in all or portions of 17 sections, including Section 12, Township 8 South, Range 24 East, SLM. The Order in Cause No. 129-1 identifies Drilling Unit 44 as comprising the ENW of Section 12, Township 8 South, Range 24 East, and provides that the permitted well for said Drilling Unit shall be in the approximate center of the NEANWA of said Section 12, not closer than 500 feet from the exterior lines of the legal subdivision. This location falls in an area of Sandstone ridges and ledges, and access to the location will require a new road across a deep wash which traverses the ENNN of Section 12. The location is not topographically suitable for drilling a well or constructing the necessary pad, pits and access. A suitable alternative location within Drilling Unit 44 is located in the SENNW which will not require such extensive rock and earth removal, and which will not require an access road across the deep wash. A well at the alternative location will penetrate and drain the producing sand of the Green River formation and effectively drain the 80 acres comprising Drilling Unit 44. ORDER IT IS THEREFORE ORDERED: To prevent waste of oil, gas and associated hydrocarbons, to avoid the drilling of unnecessary wells, and to protect correlative rights, the Board hereby permits the requested exception location for a well in Drilling Unit 44 (ENNW) of Section 12) as established by Cause No. 129-1 to be drilled in the SE4NW4 of Section 12, Township 8 South, Range 24 East, SLM, not closer than 500 feet from the exterior lines of the legal subdivision. -2The Board retains continuing jurisdiction of all matters covered by this Order, and over all parties affected thereby, and the Board retains and reserves continuing jurisdiction to make further orders as authorized by statute and applicable regulations.

Dated and entered this 6th day of December, 1984.

BOARD OF OIL, GAS AND MINING

Gregory P. Williams, Chairman

Approved as to Form:

David S. Christensen

Assistant Attorney General